

# The Influence of Transparency, Accountability, Responsibility and Independence on Managerial Performance

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**Abstract**— *The purpose of this study is to analyze the influence of transparency, accountability, responsibility and independence variables on managerial performance. The population in this study were middle-level officials of the Tirta Kanjuruhan Regional Public Company, the sample of respondents was 36 people. The results of this study are 1) Transparency has a significant effect on managerial performance; 2) Accountability has a significant effect on managerial performance; 3) Responsibility has a significant effect on managerial performance; 4) Independence has a significant effect on managerial performance.*

**Keywords**— *Managerial performance, Transparency, Accountability, Responsibility, Independence.*

## I. INTRODUCTION

Services to the community or often referred to as public services are all forms of service, whether in the form of public goods or public services which in principle are the responsibility and are implemented by government agencies at the center, in the regions and in the environment of state-owned enterprises (BUMN) or regional-owned enterprises (BUMD), in the context of efforts to fulfill the needs of the community or in the context of implementing the provisions of laws and regulations. [1]. As a public service provider in providing drinking water services, the Regional Public Company Tirta Kanjuruhan, which was established through Malang Regency Regional Regulation Number 17 of 2018 concerning the Regional Public Company Tirta Kanjuruhan, is a BUMD in the form of a regional public company whose entire capital is owned by the Malang Regency Government and is not divided into shares.

As mandated in the provisions of Article 92 paragraph (1) of Government Regulation Number 54 of 2017 concerning Regional-Owned Enterprises, which states that in a BUMD organization, the authority to manage BUMD is the BUMD organ, which consists of the KPM, the Supervisory Board, and the Board of Directors. In this case, the position of the Board of Directors is the BUMD organ that is responsible for managing BUMD for the interests and objectives of BUMD and representing BUMD both inside and outside the court in accordance with the provisions of the articles of association. Of course, granting authority to the Board of Directors is intended to realize the objectives of establishing BUMD. Therefore, the Board of Directors in managing BUMD cannot be separated from implementing human resource management

that is able to support the realization of the objectives of establishing BUMD.

To realize the management of BUMD in accordance with the purpose of its establishment, of course it is influenced by managerial performance. Managerial performance is interpreted as one of the important factors in the company, because with increasing managerial performance it is expected to be able to improve the company's performance. Managerial performance is the work results achieved by a manager in carrying out his duties in terms of quality and quantity in accordance with the responsibilities given to him [2]. Managerial performance indicators according to [3] namely: 1) Finance; 2) Service; 3) Operations; 4) Human resources.

*Good Corporate Governance (GCG) is one of the things that can influence managerial performance. According to [4] describes Good Corporate Governance (GCG) as a principle applied in corporate management. This principle is a guideline for companies to direct and control the company. There are several GCG principles, namely: 1) Transparency means openness in the decision-making process and disclosure of material information [5]. Transparency indicators according to [3] namely: openness of information, and participation. According to research [6] and [7] said that transparency has a significant effect on managerial performance. 2) Accountability is related to the clarity of function, implementation, and responsibility of company management so that company management is carried out effectively and economically. [8]. Transparency indicators are: division of tasks, employee placement, internal control, performance measurement, and behavioral guidelines. [3]. According to research [9] said that accountability has a significant influence on management. 3) Responsibility is related to the management of the company responsibly. [10]. According to [3] responsibility indicators are prudence, and corporate social responsibility. According to research [11] and [12] said that responsibility has a significant influence on management. 4) Independence means freedom in running a company [10]. Indicators of independence are professional and objective [3]. According to research [13] and [14] said that independence has a significant influence on managerial performance.*

## II. LITERATUR REVIEW

*Managerial Performance*

According to [15] Managerial performance is how effectively and efficiently managers have worked to achieve organizational goals. In this study there are 4 indicators measured in managerial performance: 1) Finance; 2) Service; 3) Operational; 4) Human resources.

*Transparency*

Transparency according to [5] means openness in the decision-making process and disclosure of material information. In this study there are 2 indicators measured in transparency, namely: 1) openness of information, 2) participation.

*Accountability*

Accountability according to [8] related to the clarity of function, implementation, and accountability of company management so that company management is carried out effectively and economically. In this study, there are 5 indicators measured in accountability, namely: 1) division of tasks, 2) employee placement, 3) internal control, 4) performance measurement, 5) behavioral guidelines.

*Responsibility*

Responsibility according to [10] related to the management of the company responsibly. In this study there are 2 indicators measured in responsibility, namely: 1) prudence, 2) corporate social responsibility.

*Independence*

Independence according to [10] means freedom in running the company. In this study there are 2 indicators that are measured in independence, namely: 1) professional, 2) objective.

III. METODOLOGY

This study uses a quantitative approach. The research used is explanatory research. The type of data used is the result of filling out the respondent questionnaire. The population in this study were middle-level officials of the Tirta Kanjuruhan Regional Public Company. In sampling using the purposive sampling method, namely sampling in this study was limited to certain types of people who could provide the desired information or meet several criteria determined by the researcher. The number of samples who became respondents was 36 people. This study focuses on the study of human resource management in the BUMD water supply industry, especially on the concept of GCG principles (transparency, accountability, responsibility, independence) and managerial performance.

IV. RESULT AND DISCUSSION

*Validity test*

The results of the validity test in this study are used to measure the level of accuracy of the variable indicator assessment. Measure validity by comparing the correlation values of each indicator in the statement element. The validity results of 45 statements were tested with a calculated coefficient of r value greater than r table and a profitability

value less than  $\alpha = 5\%$ . So there is a significant relationship between the scores of each indicator with a significant correlation score, so it can be said that the instrument used is valid. So, it can be used appropriately to measure the variables of transparency, accountability, responsibility, independence, and managerial performance.

*Reliability Test*

The results of the reliability test in this study are used to measure the extent to which a measurement result can be trusted. The questionnaire is used to collect reliable data, in this study using the Cronbach Alpha reliability model. Each coefficient is greater than 0,6 so it can be concluded that the instrument used has a high chance and is answered consistently by respondents.

*Classic assumption test*

Classical Assumption Test A regression model is free from multicollinearity if the VIF (Variance Inflation Factor) value of each independent variable is less than 5 and the tolerance value is close to 1. The VIF results are presented as follows:

TABLE 1. Collinearity Test

Model	Collinearity Statistic	
	Tolerance	VIF
Transparency	0,372	2,685
Accountability	0,169	5,910
Responsibility	0,184	5,445
Independence	0,762	1,312

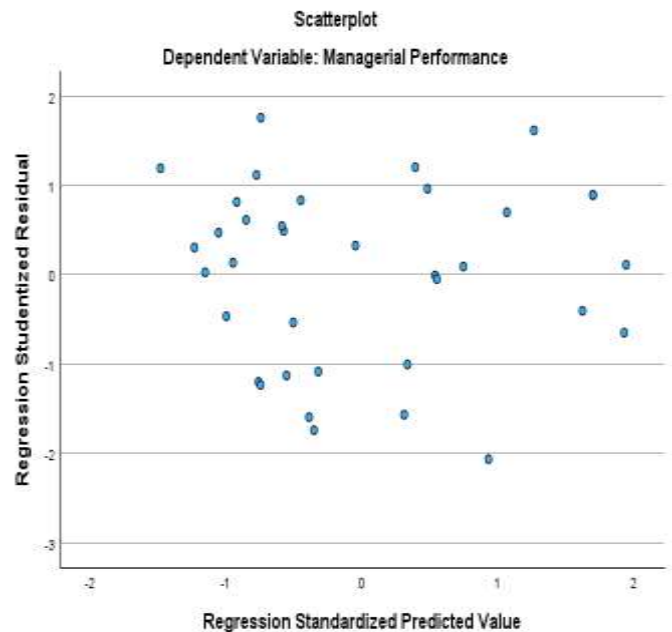


Figure 1. Heteroscedasticity Test

Based on the results of the VIF calculation, it can be seen that the variables of transparency, accountability, responsibility, and independence have VIF values  $< 10$  so that it can be concluded that the regression model does not have multicollinearity problems. Heteroscedasticity means that there are variations in residuals that are not the same in all

observations or there are greater variations in residuals with a greater number of observations. Testing for heteroscedasticity symptoms using scatterplots, the results of the heteroscedasticity test are presented in Figure 1.

Based on Figure 1, it can be seen that the points are randomly distributed, do not form a clear pattern, and are distributed both above and below the number 0 on the y-axis. This does not indicate heteroscedasticity in the regression model.

*Uji Normality*

The normality test in this study was used to determine whether the residuals were normally distributed or not.

**Normal P-P Plot of Regression Standardized Residual**

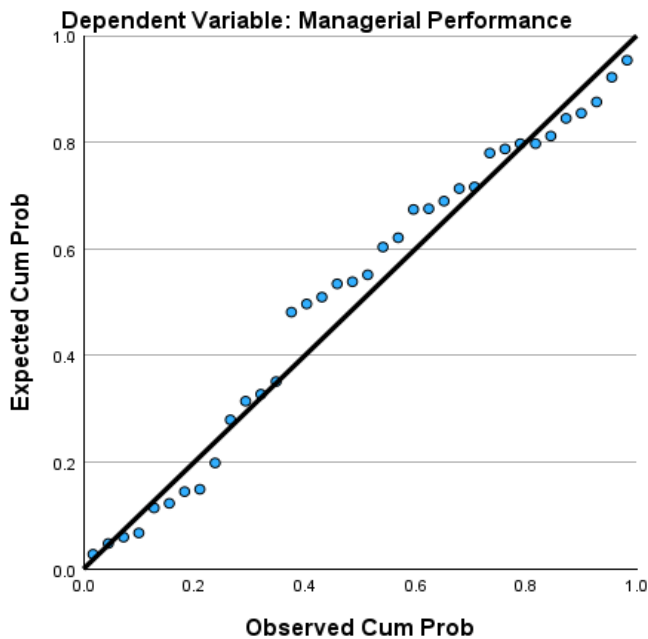


Figure 2. Normality Test

Figure 2 shows that the data (points) are spread out and approach the diagonal line. This shows that the research data covering the variables of motivation, compensation and work environment are normally distributed.

*Multiple Linear Regression Analysis*

From the results of data processing using computer assistance from the SPSS 29 for Windows program, the analysis results were obtained as in table 2 below.:

Variable	Regression Coefficient	t	Sig.	Result
Transparency (X <sub>1</sub> )	0,384	2,646	0,013	Significant
Accountability (X <sub>2</sub> )	0,258	3,185	0,003	Significant
Responsibility (X <sub>3</sub> )	0,529	2,466	0,019	Significant
Independence (X <sub>4</sub> )	0,319	2,117	0,042	Significant
Contanst	3,800			
R	0,955			
Adjusted R Square	0,900			
F <sub>hitung</sub>	79,687			
Sig. F	0,000			
n	36			
Variable Bound = Managerial Performance (Y)				

Based on the table above, the four independent variables have a significant influence on managerial performance. From these coefficients, the following regression equation is obtained:

$$Y = 3,800 + 0,384 X_1 + 0,258 X_2 + 0,529 X_3 + 0,319 X_4$$

The regression coefficient of the transparency variable is 0,384 with the assumption that if the transparency variable increases by one point, it can be predicted that the managerial performance variable will also increase by 0,384. The regression coefficient of accountability is 0,258 with the assumption that if the accountability variable increases by one point, it can be predicted that the managerial performance variable will also increase by 0,258. The responsibility coefficient is 0,529 with the assumption that if the responsibility variable increases by one point, it can be predicted that managerial performance will increase by 0,529. The independence coefficient is 0,319 with the assumption that if the independence variable increases by one point, it can be predicted that managerial performance will increase by 0,319.

*Discussion of Results*

*The Influence of Transparency on Managerial Performance*

Transparency consists of: Information openness (service information is easily accessible, business plans are submitted to all levels of management, annual work plans and budgets are submitted to all levels of management); Participation (participating in formulating the company's annual work plan and budget, providing a Discussion Group Forum (FGD) to express opinions, providing opportunities to provide input in resolving problems). This means that higher transparency will lead to increased managerial performance. The results of this study support research [6] and [7] transparency has a significant effect on managerial performance.

*The Influence of Accountability on Managerial Performance*

Accountability consisting of: Division of tasks (the company's organizational chart has reflected the entire division of tasks, the job descriptions that have been prepared can prevent overlapping of task implementation, monitoring the implementation of tasks in order to conduct performance evaluations), Employee placement (placing employees according to work competencies, placing people who have special qualifications to serve in strategic positions; periodically transferring employees according to the needs of company employees); Internal control (standard operating procedures can improve service quality, building an internal monitoring system to ensure employee discipline, the control system can improve service quality; Performance measurement (the measurement system describes the workload of each employee, the results of performance measurement are the basis for providing incentives, the results of performance measurement are the basis for performance evaluation); Behavioral guidelines (having the principle of honesty, maintaining a code of ethics of service to maintain the company's good name, complying with applicable provisions). This means that companies that have high accountability principles will lead to increased managerial performance. The results of this study support the research [9]

accountability has a significant effect on managerial performance.

#### *The Influence of Responsibility on Managerial Performance*

Responsibility consists of: Prudence (conducting feasibility studies in service development, all operational activities in accordance with applicable legal provisions, implementing a planning system to avoid business risks); Corporate social responsibility (carrying out social responsibility, prioritizing the implementation of corporate social responsibility to communities directly affected, carrying out reforestation in water catchment areas). This means that with responsibility, managerial performance will improve. The results of this study support the research [11] and [12] Responsibility has a significant influence on managerial performance.

#### *The Influence of Independence on Managerial Performance*

Independence consisting of: Professional (preparing annual work plans taking into account conditions in the field, collaborating with other departments/units to exchange information in realizing company performance targets, carrying out business activities free from intervention by other parties); Objective (not discriminating against customers in service, running a business not influenced by the interests of certain groups/groups, planning work not influenced by the interests of certain groups/groups). This means that with independence, managerial performance will improve. The results of this study support the research [13] and [14] independence has a significant effect on managerial performance.

## V. CONCLUSION

Based on the results of the analysis and discussion, the following conclusions can be drawn:

1. The results of this study found that transparency has a significant effect on managerial performance. Transparency is supported by openness of information and participation can improve managerial performance.
2. The results of this study found that accountability has a significant effect on managerial performance. Accountability is supported by the division of tasks, employee placement, internal control, performance measurement, and behavioral guidelines contribute to improving managerial performance.
3. The results of this study found that responsibility has a significant effect on managerial performance. Responsibility is supported by prudence and corporate social responsibility can improve managerial performance.
4. The results of this study found that independence has a significant effect on managerial performance. Independence is supported by professionalism and objectivity can improve managerial performance.

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